

CHARLIE BAKER
Governor



KARYN POLITO
Lt. Governor

FOR IMMEDIATE RELEASE:
March 6, 2019

CONTACT
Brendan Moss
brendan.c.moss@massmail.state.ma.us



Governor Baker Files Legislation to Support Financial Stability in Higher Education and Protect Students and Families from Abrupt Closures

BOSTON – Today Governor Charlie Baker filed legislation to clarify and enhance the authority of the Board of Higher Education to monitor the financial health of Massachusetts' colleges and universities. An Act to Support Financial Stability in Higher Education would require any institution facing financial challenges that may jeopardize the institution's ability to fulfill its obligations to current and admitted students to notify the Board of Higher Education, and submit to the Board for approval a contingency plan that includes provisions for providing advance notice to students and staff as well as arrangements for students to complete their studies.

"Massachusetts is home to an impressive collection of public and private colleges and universities that provide great educations, while also serving as major employers and drivers of business across the Commonwealth," **said Governor Charlie Baker**. "Our legislation will strengthen this crucial component of our economy, but most importantly it will help protect students and families from an abrupt closure that could significantly impact their lives."

"This legislation would ensure transparency and protection for both students and families," **Lt. Governor Karyn Polito said**. "For those institutions at high risk of closure, we want to ensure sufficient notice to students and staff to make other arrangements so they can complete their programs of study with as little disruption as possible."

A handful of recent college closures in New England highlight the need for improved financial reporting from colleges and universities, in particular the sudden closure of Mt. Ida College in Newton last year that surprised students and staff. The legislation provides that the Board of Higher Education may request information from any institution of higher education to determine financial condition. Under the legislation, the Board may also impose reasonable sanctions on any institution that does not comply

with notification requirements and requests. Information submitted by institutions of higher education would be exempt from the public records law, under this legislation.

“We want to make sure that the Board and the Department of Higher Education are capable of being a more proactive participant in ensuring transparency and fairness for students and families, without creating expansive new powers that would be overly burdensome to colleges,” **Education Secretary James Peyser said.**

The legislation filed today will enable the Board of Higher Education to develop regulations specifying the process by which it will exercise its oversight authority.

“These statutory and regulatory proposals have one goal, which is to be accountable to those students and families who have made significant investments in post-secondary education,” **Higher Education Commissioner Carlos Santiago said.** “At the same time, we are working closely with institutions to make sure that they are part of the decision-making process as we move forward.”

“Our aim should be to maintain confidence among students, families and communities in the many fine and important private colleges in Massachusetts while ensuring that any imminent risk is managed thoughtfully and appropriately,” **said Chris Gabrieli, chairman of the Massachusetts Board of Higher Education.** “As part of that, the Department of Higher Education needs to be able to work confidentially with colleges to understand their financial status and plans as well as to have the tools to address the hopefully rare situations where the focus needs to shift to informing students and ensuring solid transition plans.”

###